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Diana T Fritz 05/24/2007 04:55:29 PM From DB/Inbox: Search Results

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SIPDIS
TELEGRAM

March 08, 2003

To: No Action Addressee
Action: Unknown
From: AMEMBASSY ABU DHABI (ABU DHABI 1101 - ROUTINE)
TAGS: ECON, EFIN, EINV
Captions: None
Subject: UAE PREPARES FOR IMPACT OF WAR ON STOCK MARKET
Ref: None

UNCLAS ABU DHABI 01101

SIPDIS
CXABU:
ACTION: ECON
INFO: P/M AMB DCM POL
Laser1:
INFO: FCS

DISSEMINATION: ECON
CHARGE: PROG

APPROVED: DCM: RAALBRIGHT
DRAFTED: ECON: GARANA
CLEARED: ECON: TEWILLIAMS

VZCZCADI744
RR RUEHC RUCPDOC RUEHZM
DE RUEHAD #1101 0670909
ZNR UUUUU ZZH
R 080909Z MAR 03
FM AMEMBASSY ABU DHABI
TO RUEHC/SECSTATE WASHDC 8719
RUCPDOC/USDOC WASHDC
RUEHZM/GCC COLLECTIVE

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SIPDIS

SENSITIVE

STATE FOR NEA/ARP, NEA/RA, EB/CBA AND
EB/ESP
USDOC FOR 4530/ITA/MAC/ONE/DGUGLIELMI,
4520/ITA/MAC/ONE/CLOUSTAUNAU,
4500/ITA/MAC/DAS/WILLIAMSON,
3131/CS/OIO/ANESA

E.O. 12958: N/A
TAGS: [ECON](#) [EFIN](#) [EINV](#) [TC](#)
SUBJECT: UAE PREPARES FOR IMPACT OF WAR ON STOCK MARKET

1. (U) Local press reported on March 3 that the General Manager of the Stock and Commodity Authority -- the UAE equivalent of the SEC -- Abdullah Al Turifi, told UAE financial institutions that he expects the possible war with Iraq to have long-term impact on UAE stock markets. Nevertheless, the Stock and Commodity Authority will reduce expected market volatility by putting stronger curbs in place to prevent equity values from dropping too

precipitously. (Note: Current curbs are 10% movement per day. End note.) Al Turifi also conceded that the market is currently moribund as traders have postponed purchases until after the war starts, since they expect stock prices to tumble once it begins.

12. (SBU) Comment: While some in the UAE anticipate business opportunities as a result of the Iraq crisis, the local stock market regulatory authority is clearly taking no chances, acting now to prevent potential market destabilization in the event of a conflict.

Wahba